UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
13th meeting
held on
Monday, 22 October 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 13th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 125: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued)

This record is subject to correction.
Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, Room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/45/SR.13
2 November 1990
ENGLISH
ORIGINAL: FRENCH

90-56465 2871S (E)

The meeting was called to order at 10.25 a.m.

AGENDA ITEM 125: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/45/11)

1. Mrs. GEDDIS (Singapore) said that the method used to compute the scale of assessments was perceived as lacking in equity and transparency, not so much because of the formula utilized as because of the mitigation process. She therefore welcomed the new criteria which the Committee recommended should be taken into account in that process; they should help to lessen that impression.

2. There was, however, another aspect of the methodology which the Committee could improve further: namely, currency conversion rates. Market exchange rates did not always adequately reflect price changes and it was her delegation's hope that the growing trend towards free market economies would make it easier to adopt the concept of price adjusted rates of exchange (PARE).

3. The use of the concept of debt-adjusted income in preparing the next scale would undoubtedly be an improvement. It was also desirable to retain a 10-year statistical base period in order to even out the impact of sudden economic changes and better reflect a country's capacity to pay in terms of national wealth.

4. The recommendation to increase the upper per capita income limit to $2,600 and the decision to retain the 85 per cent gradient would also come as a welcome relief to many developing countries which had suffered substantial increases in their assessments in recent years. The Committee had rightly pointed out, in that connection, that the upper per capita income level would have to be adjusted when PARE was used in the scale methodology, as PARE would have to be applied to both national and per capita incomes. Lastly, her delegation welcomed the recommendation to retain the existing scheme of limits.

5. At a time when the current climate of co-operation was enhancing the role of the United Nations, she believed it was extremely important for Member States which had not met their financial obligations to the Organization to do so without delay.

6. Mr. KERSTEIN (Yugoslavia) congratulated the Committee on its constructive recommendations which upheld to the full the principle that capacity to pay should remain the fundamental criterion in establishing the scale of assessments. His delegation was in favour of the proposed increase in the upper per capita income limit, which would result in a more adequate reflection of Member States' capacity to pay. However, inflation in the United States and currency fluctuations would make it necessary for the Committee to remain seized of the matter.

7. Although it could understand the desire for stability which had led the Committee to recommend that the 10-year statistical base period should be retained, his delegation believed that such a base period did not accurately reflect the real economic and financial situation of many countries and that the possibility of shortening it should be given further consideration.

(Mr. Kerstein, Yugoslavia)

8. His delegation strongly believed that the concept of debt-adjusted income represented a considerable improvement over the adjustment factors used in the 1989-1991 scale and it endorsed the Committee's recommendations and observations on conversion rates. It also recognized that any change in ceiling and floor rates would require a political decision and furthermore that it was not necessary to alter the scheme of limits.

9. While agreeing that further refinements of the methodology would help to minimize the scope of the mitigation process, it believed that it was neither possible nor desirable to eliminate all ad hoc adjustments at the present stage, since they made it possible to rectify anomalies to a certain extent. Thus although it approved, in principle, the criteria set forth in paragraph 42 of the Committee's report, it had reservations about the recommendation in subparagraph (b). It was sure that the Committee would continue to improve those criteria.

10. Lastly, his delegation did not share the Committee's view on the question of the communication mechanism between Member States and the Committee and continued to support the request formulated in General Assembly resolution 44/197 C.

11. Mr. AL-ROMAIHI (Bahrain) said that since capacity to pay was the fundamental criterion in drawing up the scale of assessments, he was in favour of shortening the statistical base period. In his opinion, a 10-year base period did not properly reflect the evolution of the economic situation of Member States or their capacity to pay.

12. His delegation was in favour of retaining the scheme of limits. Since it attached great importance to the concept of income adjusted for sustainable development, particularly for countries whose income derived essentially from non-renewable resources, it was in favour of studying the concept further.

13. His delegation fully appreciated the ad hoc nature of the adjustment process and the fact that it depended on the availability of points provided voluntarily by Member States, and endorsed the criteria proposed in that connection.

14. His delegation urged Member States to respect the technical character of the Committee's work and to leave political considerations out of it. In conclusion, he expressed the hope that the Committee on Contributions would take developments in the economic situation of Member States into account when the next scale of assessments was adopted.

15. Mrs. GOICOCHEA (Cuba) expressed the hope that the Committee on Contributions would be able to introduce the specific factors enumerated in paragraph 3 of part B of resolution 43/223 into the proposed scale of assessments for 1992-1994. Her delegation endorsed the recommendation that the upper per capita income limit should be increased to $US 2,600 and that the gradient should be kept at 85 per cent. However, it agreed with the Mexican delegation that those figures

READEX FICHE

(Mrs. Goicochea, Cuba)

must be reviewed and updated on the basis of the dollar inflation rate and the rate of growth of the world economy.

16. The Committee should keep the question of the statistical base period under review, since a 10-year base period obscured the abrupt changes that had taken place in the economies of the developing countries. The statistical period should be shortened. Her delegation agreed, however, that a weighted period should be utilized in order to reconcile the desire for stability with the economic situation of the developing countries.

17. It was a matter of concern that, as the Committee had noted, progressive application of the scheme of limits would cause significant rate increases for many developing countries. Consequently, any alteration in the scheme of limits should aim to reduce the categories of the existing system so as to reflect more objectively the economic problems which were characteristic of the developing countries.

18. Her delegation welcomed the Committee's recommendation that the concept of debt-adjusted income should be taken into account in the next scale of assessments. At the same time, greater importance should be accorded to that factor in the case of the developing countries, which had had to make extraordinary efforts to settle or service their external debts at a time when they were having to apply stringent adjustment policies due to the debt crisis.

19. Ad hoc adjustments should be regarded as an integral part of the assessment of Member States' contributions in that they made it possible to compensate for the shortcomings in the current method by taking into account some of the criteria listed in paragraph 3 of section B of resolution 43/223.

20. The Committee on Contributions should continue its study of ceiling and floor rates, although any change in those rates would of course require a political decision. No one was unaware that the considerations which had led the largest contributor to the Organization's budget to withhold substantial amounts had been of a political nature, bringing the United Nations to the verge of bankruptcy and threatening to destroy its political credibility.

21. In conclusion, her delegation agreed with others that the Committee must remain a technical body and that, as the Venezuelan delegation had proposed, its geographical composition should therefore be duly examined.

22. Mr. ZVONKO (Byelorussian Soviet Socialist Republic) also reviewed the Committee's recommendations. His delegation was in favour of retaining a statistical base period of 10 years, since experience had shown that such a period made it possible to arrive at a fair and equitable scale of assessments. It also agreed with the Committee that any change in ceiling and floor rates would require a political decision, particularly in the case of the ceiling rate.

(Mr. Zvonko, Byelorussian SSR)

23. In concluding, in paragraph 19 of its report, that, with a few exceptions, the net effect of the scheme of limits was within an acceptable range in view of the ad hoc adjustments, the Committee had itself recognized the drawbacks of that formula. His country had already said that in its view any scheme of limits derived from an inflexible concept of the scale of assessments, which was incompatible with the fundamental principle of capacity to pay. It considered that the new criteria recommended by the Committee for the ad hoc adjustments, and the low per capita income allowance formula, rendered pointless any additional adjustment of the scale, and in particular any scheme of limits.

24. His delegation took note of the Committee's recommendations on the concept of debt-adjusted income and conversion rates. If the low per capita income limit were to be increased to $2,600, as proposed, that would be translated into an increase of 0.07 per cent in the assessed contribution of the USSR, an increase in which Byelorussia would have its share. His delegation understood that the increase was aimed at mitigating the financial obligations of countries in difficulty and it supported the Committee's recommendations in that regard. However, he recalled the enormous damage which the tragic disaster at Chernobyl had caused to the economy of the region, threatening the very existence of the Byelorussian people, and to the substantial resources - which were well beyond those available to his country - needed to repair that damage, and requested the Committee and the Fifth Committee to take that into account when determining and adopting the next scale of assessments.

25. Mr. SEZAKI (Japan), referring to the respective roles of the General Assembly and the Committee, stressed that the latter, in view of its technical character, should not be expected to play a political role, and that its mission was to follow the guidance of the General Assembly faithfully and to advise it on changes to be made in the scale of assessments. The Committee was thus not to blame for any injustices which might result from application of the General Assembly's guidelines. Nor was it proper for the Committee to consult the representatives of individual countries, since such a practice might prevent members of the Committee from expressing their views freely and might also undermine the competence of the General Assembly. The Assembly, for its part, should provide the Committee with guidelines which would enable a scale of assessments to be established essentially on the principle of capacity to pay, a principle on which the mechanism of ceiling and floor rates was not without impact. To be equitable, however, the scale of assessments must also take account of the fact that Member States were equal and that they had a common responsibility to meet the expenses of the Organization. In that connection, his delegation emphasized once again the gap between the increasingly heavy financial responsibility Japan was being asked to bear on the one hand, and his country's decision-making power, position and numerical representation within the Organization on the other. The peace-keeping role of the Organization had been growing, but decision-making power was tending to shift from the General Assembly to the Security Council. That notwithstanding, the share of the five Permanent Members of the Security Council had dropped from 71.09 per cent in 1946 to 46.89 per cent in 1990. By contrast, Japan's assessed contribution had risen from 1.92 per cent at the time of its admission in 1958 to 11.38 per cent

(Mr. Sezaki, Japan)

in 1990. Given the likelihood that expenditures arising from Security Council decisions would substantially increase, it was necessary that the General Assembly examine the financial implications of those decisions at its forty-fifth session and define what was to be understood by an equitable scale of assessments, taking due account of the Committee's recommendations.

26. With regard to the low per capita income allowance formula, his delegation was prepared to take a favourable view of the Committee's recommendation to raise the upper limit in order to reflect relative changes in inflation rates and exchange rates. At the same time, it urged the Committee to be cautious, since further increases might actually be to the benefit, primarily, of countries in the middle range of the category.

27. Since the choice of a statistical base period of 10 years was a result of long experience, and since capacity to pay was a function both of income and of national wealth, his delegation considered that the existing period should be retained if the aim was to establish equitable scales of assessment using a stable methodology.

28. In view of the fact that all Member States had an obligation to pay at least a minimal share of the expenses of the Organization and that they had an equal right to participate in decision-making in the General Assembly, the current floor rate of 0.01 per cent adopted in 1978 (as compared to 0.04 per cent in 1946) should be reviewed. With regard to the ceiling rate, it would be noted that it had never been possible to reconcile that rate with the principle of capacity to pay, as was indicated by the fact that in 1988 the capacity to pay, of the largest contributor stood at 28.08 per cent.

29. His delegation saw no reason either to abolish or to modify the current scheme of limits, which in any case had been applied only twice. The Committee's recommendation in that regard seemed wise and judicious. On the other hand, the concept of debt-adjusted income was methodologically unconvincing, since debt repayment formed part of capital transfer and thus did not count as national income. The alternative approach, which was to deduct total interest from income, did not completely solve the problem in that it did not cover new loans and interest from abroad. If an increase in interest payments meant an increase in the capital inflows to a country, that country's situation would improve. Moreover, it would be wrong to assume that, because a country was repaying a lower amount of interest, it was not repaying the same principal. For all of those reasons, the Committee on Contributions should look at the new methodology from the technical standpoint, and should make sure that comparable data were available before changing the current methodology.

30. The recommendations contained in paragraph 42 of the Committee's report would increase the transparency of ad hoc adjustments. However, the Committee should pursue its efforts to establish strict criteria for the redistribution of points.

31. With respect to the possibility of using price adjusted exchange rates, his delegation feared that the impact of incorporating terms of trade might vary

(Mr. Sezaki, Japan)

greatly according to the degree of import dependency of the Member States. Moreover, the availability of reliable, verifiable and comparable data was not assured.

32. His delegation welcomed the recommendations of the Committee on Contributions regarding the rates of assessment for Namibia and the Republic of Yemen. The General Assembly should reach a decision on the rates of assessment for Liechtenstein and Germany on the basis of the recommendations that the Committee would submit to it.

33. His delegation supported the Committee's conclusion concerning the mechanism of communication between the Committee and Member States. The mechanism suggested in General Assembly resolution 44/197 C, paragraph 1, could compromise the Committee's status as an expert body, and might jeopardize the collegial manner in which it reached its decisions. Member States should therefore exploit the possibilities of the current system.

34. Mr. SARDENBERG (Brazil) said that his delegation was disappointed that the report of the Committee on Contributions did not contain a set of proposals to redress the unjust system in which the burden of assessment had been increasing more rapidly for the developing countries than for the developed countries. It was alarming, to say the least, that the machine scale contained in the annex to the report showed a net increase of only 3 points in the overall contributions of OECD countries, but a 60-point increase for the countries of the Group of 77. While the scale in question would probably not be the one proposed for the period 1992-1994, it still gave a clear indication of what was in store should the recommendations of the Committee be adopted.

35. His delegation appreciated the Committee's efforts to improve the evaluation of the impact of the debt factor on the capacity to pay. However, despite the request contained in General Assembly resolution 44/197, the Committee had unfortunately failed to provide the illustrative examples that would have allowed Member States to gain a clear understanding of how the formula had been applied or what its impact on the assessment of the heavily indebted countries would be. The impact of the debt burden on the financial situation of those countries had been duly underscored both by the Secretary-General's introduction to the proposed medium-term plan for 1992-1997 and by various General Assembly resolutions requesting the Committee on Contributions to take "debt adjustment" into account. It should be noted that "debt adjustment" was a broader concept than the one proposed by the Committee, which might be better termed "debt repayment adjustment". Debt repayment was only a problem for the heavily indebted countries, which were forced to draw upon the scarce financial resources they needed for development. It was the plight of those countries that the Committee should have addressed. In any event, it would be necessary to continue to refine the new concept, which had shortcomings, as the Committee had itself recognized in paragraph 42 of its report. Should it prove impractical, the only solution would be to retain the present criterion and to increase to 20 per cent the deduction of total debt from national income.

(Mr. Sardenberg, Brazil)

36. With respect to the low per capita income allowance formula, his delegation welcomed the Committee's recommendation to maintain the 85 per cent gradient and raise the upper per capita income limit to $2,600. Nevertheless, it considered that increase insufficient.

37. As various delegations had already pointed out, reducing the statistical base period to, for example, five or seven years would make it possible to reflect the economic situation of various countries more accurately. However, the real issue was not so much the length of the statistical base period as the need to define a criterion that would take into account the dramatic economic situation in many developing countries and its effect on their capacity to pay.

38. In dealing with ceiling and floor rates, the Committee on Contributions had noted that it could not make a recommendation on that subject on the basis of technical considerations and that any change in levels would require a political decision. That point deserved further discussion. His delegation supported the Committee's recommendation that the present scheme of limits should be retained. Noting the imbalances between the developed and the developing countries, he said that the situation in the Gulf was causing additional problems for the developing countries and further decreasing their capacity to pay. Urgent action was required to reduce the contributions of some developing countries, especially the heavily indebted ones. In conclusion, he said that, in 1988, his delegation had not broken the consensus on the present scale, on the express understanding that a new methodology would be approved to correct the injustices of the past scales.

39. Mr. KABIR (Bangladesh) said that, with respect to the low per capita income allowance formula, his delegation supported the Committee's recommendation to increase the upper per capita income limit and maintain the present gradient. Because it believed that a long statistical base period resulted in a more realistic assessment of a country's basic situation and contributed to the stability of the scale, it also favoured retaining the 10-year period, as the Committee on Contributions had recommended.

40. After noting the Committee's conclusion that, with a few exceptions, the net effect of the scheme of limits was within an acceptable range in view of the impact of the ceiling and ad hoc adjustments, he said that his delegation concurred with its recommendation to retain the current methodology. However, Bangladesh would appreciate it if the Committee would explain how excluding the allocation of any additional points as the result of the application of the scheme of limits to the very low per capita income countries would duplicate the effect of the low per capita income allowance formula. In that connection, it should be remembered that conditions in the least developed countries had continued to deteriorate over the past decade, and that the Gulf crisis had further decreased their capacity to pay. That should be taken into consideration, especially in the determination of floor rates.

(Mr. Kabir, Bangladesh)

41. After careful consideration, the Committee on Contributions had decided to recommend the concept of debt-adjusted income, while recognizing the limitations of the formula. Although its implications were not entirely clear, it appeared to represent an improvement over the current method. His delegation therefore urged the Committee to continue its work in that area with a view to further refining the methodology.

42. While ad hoc adjustments could never be completely eliminated, they should be resorted to as seldom as possible, and the requirements of transparency, flexibility and objectivity should always be fulfilled. His delegation therefore welcomed the Committee's recommendation in paragraph 42 of its report.

43. With regard to the comments submitted by the Republic of Yemen, Bangladesh hoped that the issue could be resolved satisfactorily since Yemen was one of the least developed countries. It hoped that the next scale of assessments would be adopted by consensus and that the burden would be distributed more fairly between the developed and the developing countries. The Committee on Contributions should seek an optimum balance between the requirements of simplicity, stability and equity, and its status as a body of experts should be maintained.

44. Mr. LAOUARI (Algeria) noted that the upward adjustment of the upper per capita income level from $2,200 to $2,600 under the low per capita income allowance formula would entail only a small reduction (0.61 per cent of the scale) for a few countries. The Committee on Contributions had not really justified maintaining the gradient at its present level of 85 per cent, since it should have provided the Fifth Committee with a stricter assessment and specified the effects of using other gradients for different average national incomes.

45. On the grounds of the need for stability and continuity, the Committee on Contributions had recommended to the General Assembly the retention of the 10-year statistical base period. His delegation noted that using the 10-year period had not prevented large disparities which the various adjustments provided under the methodology had not always been able to correct. In its opinion, the contributions of Member States should be in proportion to their real capacity to pay at the time of payment.

46. The fact that adjustments had had to be made showed that the concept of national income by itself was not a reliable indicator of the state of a country's economy. The Committee on Contributions recommended replacing it with the concept of "debt-adjusted income", which, while recognizing its limitations, the Committee regarded as a considerable improvement over the previous adjustment factors. The idea would have to be refined to take account of differences in debt structure and repayment constraints. His delegation drew the attention of the Committee on Contributions to the need to check the reliability of data on debt and national income. Although it was not possible to ascertain all the effects of the proposed formula from the information provided by that Committee, his delegation was in favour of examining with other delegations any new element that might improve the existing methodology.

(Mr. Laouari, Algeria)

47. The practice of making special adjustments to correct possible distortions should be continued. Adjustments should be made flexibly on the basis of the criteria of transparency and uniformity, and the conditions referred to in paragraph 42 of the report would ensure that adjustments were made with a view to greater equity.

48. With regard to the mechanism of communication between Member States and the Committee on Contributions suggested in General Assembly resolution 44/197 C, his delegation did not share the Committee's view that such a mechanism might hamper its work and compromise its status as a body of experts. The argument that Member States could submit their comments in writing prior to sessions of the Committee was not valid, since possible modifications to the structure of the scale could not be known at that stage.

49. In paragraph 3 of its resolution 43/223 B, the General Assembly had requested the Committee on Contributions to consider the possibility of taking into account the particular situation of countries whose economies depended on one or a few products or income sources and which were suffering deteriorating terms of trade or serious balance-of-payments problems, or had limited capacity to acquire convertible currencies. The Assembly had reiterated that request in paragraph 3 (b) (i) of resolution 44/197 A, but the Assembly's directive had not been followed. It would be useful if the Chairman of the Committee on Contributions could give some details on that subject.

50. The United Nations must acquire without delay a stable, clear and transparent methodology, capable of ensuring the establishment of a just and equitable scale. The scale for the period 1992-1994 was being prepared at a time when international economic relations were characterized by a serious worsening of world macro-economic imbalances and a widening of the gap between developed and developing countries.

51. Unlike many developed countries, Algeria had seen its assessments regularly increased for a number of years, a situation which clearly had no logical economic basis. Along with that continued increase, Algeria had suffered a serious decline in its financial capacity, and in addition had to face the burden of a heavy external debt whose servicing absorbed nearly 75 per cent of export earnings.

52. His delegation supported the request by the representative of Yemen concerning revision of that country's rate of assessment, as decided by the Committee on Contributions following the recent reunification of the two Yemens.

53. Mr. HAMIDA (Libyan Arab Jamahiriya) noted that the Committee on Contributions recommended essentially retention of the existing methodology for establishing the scale, with just two changes. That would only make it less effective and more removed from the objectives of justice and equity set forth in General Assembly resolutions 43/223 and 44/197. Thus, contrary to the provisions of those two resolutions, the Committee on Contributions had neither studied the interrelationship between the elements and factors of its methodology nor examined

(Mr. Hamida, Libyan Arab Jamahiriya)

fully the use of other factors, including the situation of countries whose economies depended on a single, non-renewable source of income.

54. The Libyan Arab Jamahiriya accepted the Committee's recommendation to retain the 10-year statistical base period, but considered that there was some substance in the criticism that that period would be too long. The Committee should therefore keep the matter under review. The Committee's recommendation that the upper per capita income level should be raised to $2,600 should reduce the burden for certain developing countries, but the Committee should also have recommended that the additional allowance should not be borne by other developing countries.

55. For several years, representatives in the Fifth Committee had asked the Committee on Contributions to consider the question of the continued increase in the assessments of developing countries and the parallel reduction in the assessments of the advanced countries. The 1980s had been a difficult period for the developing countries, which had suffered a deterioration in their economic and social situation. His country, in addition to the same deterioration, had suffered from coercion, an economic boycott, the declining price of oil - its main source of foreign exchange - the drought in the region, and the appearance of blowflies, which threatened Libyan livestock.

56. His delegation was surprised that, in the preparation of the next scale of assessments, the Committee should recommend using a concept the limitations of which it had itself recognized, namely, debt-adjusted income. It could not express any view on that subject, therefore, until the Chairman of the Committee had explained the implications of such a recommendation. His delegation also disagreed with the Committee's view that the existing means of communication between Member States and the Committee on Contributions were appropriate. The Committee would see its role strengthened and its operation improved if its meetings, or at least some of them, were open to other Member States. On the other hand, his delegation welcomed the criteria which the Committee recommended should be taken into account for ad hoc adjustments (para. 42 of the report), and expressed the hope that the Committee would one day succeed in working out a scale methodology which would make it possible to dispense with such adjustments.

57. In conclusion, his delegation wished to support the request of the Yemeni delegation that the unified Yemen's assessment should be 0.01 per cent, like that of all the least developed countries, and it hoped that the Fifth Committee would grant that reasonable request.

58. Mr. DINU (Romania) said that his delegation supported the recommendation that the upper limit for the low per capita income allowance formula should be increased to $2,600. Since contradictory opinions had been expressed as to whether or not the new limit maintained the real level, it would be desirable to hear an expert opinion on that point.

(Mr. Dinu, Romania)

59. His delegation had no objection to the proposal on the statistical base period in paragraph 10 of the Committee's report.

60. Regarding alternative income concepts and conversion rates, while accepting the Committee's recommendation regarding the concept of debt-adjusted income, he noted that, although Romania had entered the 1990s without a foreign debt, its economic situation was catastrophic. Its exports had decreased dramatically after December 1989, and it would therefore be unreasonable to think that its capacity to pay and its national income were the same, simply because in January 1990 it had had no foreign debt. It was to be hoped that the formula proposed by the Committee would take the country's special situation into account.

61. The scheme of limits operated as a safety valve. In that connection, the Committee's proposals, if approved, would bring more transparency into the process of apportionment. He expressed appreciation to those Member States which agreed to assume the points to be redistributed.

62. It was the obligation of every Member State to pay the assessment decided on by the General Assembly. Romania had now paid the arrears of its assessed contribution to peace-keeping operations in full, plus almost $4 million representing all its arrears to the regular budget, excluding the current year.

63. Mrs. MONTAÑO (Colombia) said that her delegation had always supported the principle of capacity to pay as the basis for the assessment of contributions. Contributions should, however, be regarded as investments by Member States in an organization which should work in the interests of all. The financial and administrative strengthening of the United Nations would have appreciable advantages for the developing world provided that it made it possible to secure more effective participation by all Member States in determining the course of United Nations activities. Those advantages would go far beyond a marginal reduction in contributions. In that connection, she paid a tribute to the Swedish delegation which, on behalf of the Scandinavian countries, had declared itself in favour of seeking a less inequitable distribution of the Organization's expenditures.

64. In her delegation's opinion, the Committee on Contributions should consider adopting whichever of the machine scales given in annex IV A of its report seemed to it to be the most viable. There was no perfect formula, but world economic developments clearly made it essential to take the developing world's difficulties into account.

65. Mr. RAHMA (Oman) said that his country had always fulfilled its financial obligations promptly and owed no arrears of contributions to the United Nations. Although the Committee's report included a number of changes and improvements as compared with the previous year, there were some points which seemed less than clear to his delegation, in particular the alternative income concepts and conversion rates. The scale adopted by consensus at the forty-third session was hardly favourable to the developing countries, whose assessments continued to rise

(Mr. Rahma, Oman)

as compared with those of the developed countries. The Committee on Contributions must therefore take that situation into account in establishing the next scale and not use as its basis the sole criterion of per capita income.

66. The Sultanate of Oman drew its income from a single non-renewable source: oil. Its per capita income was undoubtedly considered to be high when compared with that of middle-income countries, but its very recent development, its size and its scattered population, meant that it had still not provided itself with the infrastructure necessary for the welfare of its people and, from the standpoint of many criteria other than per capita income, its status was little better than that of many other less developed countries.

67. Lastly, his delegation urged all those countries which had not paid their contributions or arrears of contributions to the United Nations to do so without delay so that the Organization could carry out its task in the most favourable circumstances.

68. Mr. ALI KHAN (Pakistan) said that the report of the Committee on Contributions contained constructive recommendations which should provide a sound basis for the establishment in 1991 of a new scale for the period 1992-1994. The Committee had made a commendable attempt to meet the concerns voiced in recent years by a number of delegations and to reduce increases in the rates of developing countries while maintaining stable rates of assessment.

69. In regard to the low per capita income allowance formula, his delegation supported the recommendation that the upper per capita income limit should be increased to $2,600.

70. It endorsed the Committee's recommendations regarding the statistical base period, ceiling and floor rates, and the scheme of limits. In connection with alternative income concepts and conversion rates, the Committee recommended using the concept of debt-adjusted income in the preparation of the next scale of assessments. However, in the absence of comparative data, it was very difficult to determine whether that would bring about real relief for the highly indebted countries. It would be useful if the Chairman of the Committee on Contributions could shed some light on that matter.

71. Regarding ad hoc adjustments, the Committee had made welcome progress in defining the criteria to be taken into account. His delegation particularly welcomed paragraph 42 (e), which should ensure the objectivity of discussions on ad hoc adjustments and maintain the neutrality and expert status of Committee members. The ad hoc adjustment process, however, was a voluntary one that was entirely dependent on the willingness of certain Member States to assume additional points.

72. On the question of the communication mechanism between Member States and the Committee on Contributions, his delegation agreed with the Committee that the requests made in paragraph 1 of resolution 44/197 C might compromise its status as an expert body.

(Mr. Ali Khan, Pakistan)

73. Lastly, he expressed the hope that, in preparing the new scale of assessments, the Committee would take into account the serious repercussions of the Gulf crisis on the economies of developing countries. Countries such as Pakistan, which had not only been forced to repatriate their nationals from Kuwait and Iraq, but had further suffered the loss of remittances from abroad, had been most affected.

74. Mr. KARKUTLY (Saudi Arabia) said that, once again, his delegation wished to emphasize the absolute necessity of using real capacity to pay as the principle criterion for determining the scale of assessments. As it had stated in the past, it was a moral contradiction and a violation of the letter and spirit of the rules to consider a country with a high per capita income and a relatively small GNP more capable of paying than a large country with a huge GNP that could afford nuclear arsenals, yet in some cases was entitled to relief. The problem was more symbolic than financial. It had more to do with a sense of fairness on the part of each delegation than the ability of any State to negotiate a reduction of its share in the regular budget.

75. Over the previous 14 years alone, Saudi Arabia's rate of assessment in absolute terms had increased by 1,700 per cent, from a rate of 0.06 per cent in 1976 to the current rate of 1.02 per cent. No other country had been subjected to such a dramatic increase. In citing those figures, he did not mean to imply that his country wished to reduce its contribution to the United Nations. It was among the major voluntary contributors to the United Nations system. However, it was legitimately concerned that the assessment of contributions should be fair. Fairness was one of the many values that should guide the work of the Organization and which reflected the strong sense of moral and material responsibility of the Member States.

76. If one accepted the principle that the contributions of Member States should reflect their real capacity to pay, it followed that a number of large countries which were currently entitled to relief ought to contribute a fairer share of the Organization's regular budget. The Committee and the Member States should accordingly work together to adjust the current system.

77. Clearly, consideration should also be given to the introduction of appropriate adjustments in calculating the national incomes of countries whose revenues were generated mostly by the export of a few non-renewable natural resources that were subject to price fluctuations on the world market. The current methodology tended to overstate greatly the magnitude of that income.

78. His country had no problem in accepting the Committee's recommendations on the scheme of limits and the 10-year statistical base period.

79. Miss MONTAÑO (Bolivia) said that her delegation supported the recommendations that the upper per capita income limit should be increased to $2,600 and that the 85 per cent gradient should be retained. It also supported the use of a 10-year statistical base period in the next scale out of a concern for stability and continuity.

(Miss Montaño, Bolivia)

80. With respect to the debt problem, although the concept of debt repayment had been very useful, some thought should be given to other extremely important factors, such as the impact of the efforts some countries were making to stabilize their monetary systems and stem inflation. Her country had taken draconian measures to stop hyper-inflation and encourage economic development. That policy called for major sacrifices, especially when one considered the effect on foreign trade of the deterioration of the terms of trade and the scarcity of funds to finance development.

81. Her delegation shared the concern already expressed by previous delegations that the assessments of several industrialized countries had been reduced in recent years while those of several developing countries had risen. Given the ever-widening gap in the levels of development and well-being, that situation was unfair and unacceptable.

82. In conclusion, her delegation wished to reiterate its attachment to the principle that capacity to pay should remain the fundamental criterion for determining the scale of assessments.

83. Mr. BIDNY (Union of Soviet Socialist Republics) noted that the Committee on Contributions had suggested modifying only one element in the current methodology, the upper limit of the low per capita income allowance formula. After having weighed the advantages and disadvantages, his delegation favoured retaining the 10-year statistical base period. The main advantage was that it ensured a certain stability. On the other hand, the use of recent data on national income provided a more accurate indication of real capacity to pay.

84. While it remained attached to the fundamental principle of sharing the burden fairly on the basis of capacity to pay, his delegation wished to draw attention to a recently introduced element of the methodology which, in its opinion, was not satisfactory: the scheme of limits. The Committee had stated that "the net effect of the scheme of limits was within an acceptable range". That conclusion lacked nuance. For a number of countries, the scheme distorted the scale with respect to basic economic data. Something was wrong when, out of the 309 points to be redistributed, the Soviet Union received 194 additional points, or almost two thirds, and when its percentage in the machine scale increased from 7.76 per cent to 9.69 per cent. In practical terms, the resulting additional assessment would amount to approximately $14 million a year, or an increase of 21 per cent over the previous scale. Yet his country's capacity to pay had declined considerably over the previous five years. At the same time, the scheme of limits favoured some of the most economically powerful countries. It was hard to see the logic of the current system. His delegation thought that it should be replaced by a fairer mechanism: as a first step, the range of variations might be expanded when the next scale was established.

85. Obviously, there were other sources of distortion. His delegation agreed with the Committee's conclusion that it was necessary to limit the overall size of ad hoc adjustments. However, it did not think that the use of such adjustments

(Mr. Bidny, USSR)

should be reduced to a minimum. In that connection, his country would clearly not be able to participate in the ad hoc adjustments for 1991, given its current situation. It would be recalled that it had voluntarily accepted the redistribution of 15 to 20 points, more than any other country.

86. Lastly, it was important to maintain the current status of the Committee as a body of independent experts who were authorized to examine fundamental questions relating to the methodology, the sharing of United Nations costs and the establishment of a scale of assessments.

87. Mr. TEHRANI (Islamic Republic of Iran) said that the recommendation that the concept of debt-adjusted income should be used in preference to other criteria, such as price-adjusted rates of exchange (PARE) might not be in the interests of many developing countries. It seemed best suited to countries with free market economies for a number of reasons. First, if the market exchange rates published by the International Monetary Fund (IMF) were used to calculate equivalent national income or to compute inflation, the resulting figures would not reflect the real capacity to pay of countries whose official exchange rates were pegged to an international standard or to a basket of currencies like special drawing rights (SDR). For those countries, calculations should be based on the effective rate of exchange. Second, neither the scale of assessments drawn up by the Committee nor the GNP calculations based on the System of National Accounts gave adequate weight to the effects of man-made and natural disasters on the economies of Member States. Third, since many developing countries were exporting non-renewable resources that were a part of their natural patrimony, only revenue from productive investments should be included in their national income. For that reason, the national income of raw-material exporting countries should be adjusted on the basis of their pattern of income consumption.

88. The machine scale should be flexible enough to compensate for its technical deficiencies. The decision to restrict the number of points given to any one country under the ad hoc adjustment process to two limited that flexibility unduly. Moreover, not allowing ad hoc adjustments for Member States whose new rates were equal to or lower than their previous rates punished those countries whose previous rates had been unfair.

89. The calculation method did not reflect the different economic conditions prevailing in different countries. Therefore, his delegation believed that, in cases in which the machine scale and the economic data requested did not fairly reflect actual capacity to pay, the countries concerned should be authorized to attend meetings of the Committee.

90. The tremendous damage caused by a war imposed on it, natural disasters, the rapid and prolonged decline in oil prices and the presence of many refugees placed his country in a special position. The figures on national income obtained by the methods to which he had referred did not reflect its true economic situation. The evaluation criteria applied by the Committee over the previous 12 years had imposed excessive constraints. While his country had no intention of shirking its

(Mr. Tehrani, Islamic Republic of Iran)

financial obligations, it hoped that the calculation methods would be modified in the interests of fairness. The Committee should submit a report analysing the general trend of contributions paid by the developed countries, the developing countries and the least developed countries taking into account their share in the world economy, their economic growth and their development.

The meeting rose at 1.10 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
14th meeting
held on
Tuesday, 23 October 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 14th MEETING

Chairman: Ms. MUSTONEN (Finland)
(Vice-Chairman)

later: Mr. MAYCOCK (Barbados)
(Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 117: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

AGENDA ITEM 119: PROGRAMME PLANNING (continued)

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

AGENDA ITEM 124: PATTERN OF CONFERENCES (continued)

This record is subject to correction.
Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, Room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/45/SR.14
5 November 1990
ENGLISH
ORIGINAL: FRENCH

90-56507 2877S (E)

/...

In the absence of the Chairman, Ms. Mustonen (Finland), Vice-Chairman, took the Chair.

The meeting was called to order at 10.30 a.m.

AGENDA ITEM 117: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/45/16 (Part I) and Add.1 and A/45/16 (Part II), A/45/226, A/45/370 and A/45/617)

1. Mr. TRAXLER (Italy), speaking on behalf of the 12 States members of the European Community, said that the Twelve wanted to emphasize that the report of the Group of High-level Intergovernmental Experts (Group of 18) remained the basic document which must guide the current reform process. Like the Secretary-General, they thought that the experience of the past five years had been on balance positive. There was no doubt that significant results had been achieved in a number of areas: several Secretariat services had been restructured and the post-reduction exercise had been continued. For the first time in over 40 years the budget appropriations had been adopted by consensus at the forty-fourth session of the General Assembly. By supporting the reforms undertaken Member States had demonstrated their commitment to the work of the Organization and had thereby helped to strengthen it.

2. However, more needed to be done in order to consolidate those achievements. An improvement in the financial situation of the United Nations was now overdue. Fulfilment by Member States of their financial obligations would be the most tangible evidence of their political commitment. In some areas the comments of the Group of 18 remained valid: for example, the overly complex structure of the intergovernmental machinery or the proliferation of conferences and meetings of intergovernmental bodies. The Twelve strongly supported the appeals of the President of the General Assembly for a reduction in the number of resolutions and of reports requested from the Secretary-General, as well as in night and week-end meetings. It was for the Fifth Committee to give a lead. With regard to the restructuring of the Secretariat in the economic and social sectors, the Twelve were convinced that the Secretary-General would be able to act with the authority which he had demonstrated in other areas. They again urged all concerned to respect the Secretary-General's prerogatives as chief administrative officer of the Organization.

3. Even in cases where the results obtained had been relatively satisfactory there must be no relaxation of effort. One of the main benefits of the reform exercise was that it obliged the Secretariat to engage in permanent self-evaluation. The Twelve thought that increasing account should be taken of changing requirements and work-loads in future reviews of staffing tables. Any proposed retrenchment, redeployment or reinforcement of staff must take those factors into consideration. As the Secretary-General had said, redeployment was a constant necessity in the functioning of a dynamic organization.

4. There was, of course, a close link between the distribution of human resources and the distribution of financial resources. Resolution 41/213 had established for

(Mr. Traxler, Italy)

the first time a framework to enable Member States to agree on the overall level of the programme budget. As experience had shown in 1989, that had facilitated agreement on the content of the programme budget and a broader measure of support for the funding of activities. The subsidiary bodies of the Fifth Committee had played an important role in that respect, and the Twelve wanted them to continue to function effectively in accordance with their mandates.

5. The Secretary-General had recently referred to confidence-building. But the Twelve thought that it was too early to say that the reform process had achieved its purposes. If the results were to prove of lasting value, Member States and the Secretariat, as the Secretary-General implied in paragraph 3 of his analytical report on the implementation of General Assembly resolution 41/213 (A/45/226), must sustain the effort in a spirit of compromise and in the common interest.

6. Mr. LAZAREVIC (Yugoslavia), speaking on agenda items 117 and 119, noted that the analytical report on the implementation of resolution 41/213 provided detailed information and that the Committee for Programme and Co-ordination (CPC) had found it generally satisfactory. Significant progress had been achieved in many areas and it could be said that the Secretary-General had accomplished the essentials of what had been requested from him. Nevertheless, in some areas little or no progress had been made. That was particularly true with respect to recommendations 2 and 8. Despite the action taken by the United Nations Conference on Trade and Development and some regional commissions, the implementation of the two recommendations depended almost entirely on the conclusion of an agreement on the structure of the intergovernmental machinery in the economic and social fields. Until that problem was solved it would be difficult to decide whether the Economic and Social Council should have only one session per year.

7. The question must also be addressed in the context of the work which the international community would have to undertake in the years to come: the programme was a very heavy one in the economic and social fields. That did not reduce in any way the urgent need for concerted action to rationalize and co-ordinate better the work of intergovernmental bodies and administrative services throughout the United Nations system. The choice of the type of intergovernmental machinery to be introduced would depend largely on the spirit of co-operation demonstrated by Member States, a spirit which currently prevailed in the work in the political sphere. In any event, in the interim the two annual sessions of the Economic and Social Council should be maintained.

8. His delegation noted with satisfaction that the Secretary-General has succeeded in reducing by 11.95 per cent the number of posts funded from the regular budget without deteriment to the programmes or the functioning of the Secretariat; however, that reduction had been largely offset by the increase in the number of posts funded from extrabudgetary resources. Parallel with the internal restructuring of the Secretariat a new approach to administrative and financial matters had been introduced. The adoption of resolutions by consensus was an encouraging development which should become the regular pattern.

(Mr. Lazarevic, Yugoslavia)

9. The reform of the United Nations was a continuing process which must embrace not only the activities of the Secretariat but also the work programmes of intergovernmental bodies, which should be more resolute in eliminating or phasing out outdated programmes in favour of new programmes which responded better to the new needs of the international community.

10. The Yugoslav delegation thought, that the proposed medium-term plan for the period 1992-1997 might be more easily discussed after it had been considered by CPC and the Advisory Committee. The number of programmes and subprogrammes contained in the plan was impressive. Given the new trends in international political and economic relations, it would certainly be necessary to revise some programmes. The Secretary-General's introduction of the medium-term plan was particularly important in that respect, because it reflected the changes taking place in the world and the opening-up of new perspectives for international co-operation.

AGENDA ITEM 119: PROGRAMME PLANNING (continued) (A/45/6, A/45/16 (Part I) and Add.1 and A/45/16 (Part II), A/45/204, A/45/218 and Corr.1 and Add.1 and Add.1/Corr.1, A/45/279 and A/45/617; A/C.5/45/CRP.1)

11. Mr. ELIASSON (Sweden), speaking on behalf of the Nordic countries, said that the medium-term plan was important for two reasons: it was the principal programme planning instrument of the United Nations, and it would determine the direction of United Nations activities until the year 2000, reflecting the collective will of Member States. There was currently an unprecedented will to make the United Nations an effective instrument at the service of international peace and security. Prospects were also promising for international co-operation in the area of social, economic and environmental issues.

12. In the Nordic countries' vision of the United Nations in the 1990s, two important tasks stood out. One was to combine and co-ordinate peace-keeping and peace-making activities, not least by developing tools and procedures for preventive diplomacy and by setting up a mechanism to deal with regional conflicts and those internal conflicts that had regional implications. The other was, to adopt effective measures to deal with global social and economic issues (poverty, environmental degradation, drugs, etc.). What was needed was thus a realistic division of labour among the various organs of the United Nations system, together with well-defined programmes of action. The United Nations system must also improve its capacity to function as an integrated whole when the solution of a particular set of problems so demanded.

13. The past year had shown that changes on the international political scene might in turn call for other changes. The new plan must allow for adjustments permitting activities and resources of the system to be geared to meeting new demands. Flexibility was thus indispensable.

14. If Member States and the Secretariat mobilized all available resources and skills to deal with those two major areas of concern, the United Nations would be in a position to play an effective role. The medium-term plan, particularly the introduction thereto, was a crucial instrument in that regard, since it set forth

(Mr. Eliasson, Sweden)

the line of action for the United Nations. The Nordic countries concurred with the views expressed by the Secretary-General in the introduction, which seemed to them clearly to summarize the tasks and priorities facing the United Nations.

15. They were pleased to note that the Declaration on International Economic Co-operation had been used as a point of reference. The new international development strategy, which complemented and filled out the Declaration, would also be an important instrument.

16. The delegations of the Nordic countries attached particular importance to human resources development activities (including the social aspects of development), to emergency assistance and humanitarian aid, to environment and development, and to the protection of human rights. With regard to human rights, before any new instruments were adopted, it was important to ensure that there was no danger of their weakening existing instruments.

17. The delegations of the Nordic countries approved of the proposed structure of the plan, and welcomed the reduction in the number of programmes and the consolidation of some activities. However, like the Advisory Committee, they felt that extrabudgetary resources needed to be more clearly identified, as did the linkage between the medium-term plan and the programme budgets.

18. They had studied the reports of the Committee for Programme and Co-ordination (CPC) with great interest. In their view, the reports underscored the importance of the work of that Committee in planning United Nations programmes. The role of the Secretary-General in his capacity as the Chief Administrative Officer of the Organization was also of crucial importance. The Nordic countries welcomed his continuing efforts to improve the efficiency of the Organization and programme planning.

19. If the United Nations was to be efficient, its financial stability must be restored. To secure that, Member States must honour their obligations and pay their contributions in full and on time. Clearly, resources would continue to be scarce in relation to the magnitude of the tasks to be performed. It was thus important to use those resources in the most efficient and responsible manner possible.

20. Mr. TRAXLER (Italy), speaking on behalf of the 12 member States of the European Community, concurred with the comments made by the Secretary-General in the introduction to the medium-term plan. The Twelve attached great importance to two major principles: (a) that a matter could be regarded as a priority only if the objective sought clearly called for multilateral action; (b) that the medium-term plan must deal with issues that were of continued concern to the international community. That being said, the Twelve agreed with CPC that priorities were indicated on a broader basis in the introduction to the plan than in the proposed programme budget outline. The Secretary-General was right to assign the highest priority to maintenance of peace and security in paragraph 39 of his introduction. With regard to establishing an order of priority among programmes, the Twelve would be ready to participate actively in any informal

(Mr. Traxler, Italy)

consultations that might be held during the session. Bearing in mind the three criteria specified in regulation 3.15 of the Regulations and Rules Governing Programme Planning, they considered that international law, promotion and protection of human rights and fundamental freedoms, and assistance to refugees should be added to the list of priority areas provided by CPC in paragraph 30 of document A/45/16 (Part II). Of course, other questions requiring immediate consideration might perhaps also have to be added at a later date. The plan would have to be revised in order to take account not only of the subsequent decisions of the General Assembly and the Economic and Social Council, but also of developments on the international scene. To facilitate revision and reference, it would be preferable to publish the document in a loose-leaf format.

21. In accordance with regulation 3.3 (c) of the Regulations and Rules Governing Programme Planning, efforts should continue to include in the plan an indicative estimate of the resources necessary to finance programmes. In that regard, the Twelve welcomed the fact that the outline programme budget gave not only a global figure for the appropriations necessary for the first biennium of the period covered by the plan, but also a breakdown of those figures between major programmes.

22. The report of the Secretary-General on programme performance for the biennium 1988-1989 was of special interest in considering the plan, inasmuch as most of the actions contained an element of continuity. The Twelve concurred with the conclusions of CPC and the Advisory Committee regarding the report. In paragraph 18 of his report, the Secretary-General rightly noted that the coverage of the exercise was incomplete, because it did not include some activities and because no precise indications were given of the degree of importance of outputs implemented or postponed. Outputs included in the categories "others" and "reports" should also be more clearly identified. The Twelve encouraged the Secretary-General to persevere in his efforts to monitor more closely the use of extrabudgetary resources.

23. The Twelve noted with satisfaction the attention given by CPC to the evaluation and co-ordination of programmes. Evaluation posed a problem of methodology for all organizations of the United Nations system. Self-evaluation, on which some of them depended exclusively, needed to be rigorous and systematic and complemented as appropriate by in-depth evaluation. The Twelve appreciated the efforts of the Secretary-General to strengthen the existing evaluation machinery and believed that a specialized technique and staff should be developed so that the results in respect both of general action and individual programmes could be clearly reported. In all such activity, of course, the complementarity of programme and budget performance reporting must be strictly observed.

24. Regarding co-ordination, the Twelve fully endorsed the statement of CPC in paragraph 391 of its report, stressing the need for efficient and coherent utilization of the human and financial resources of the United Nations system as a whole and highlighting the importance it attached to co-ordination at both the intergovernmental and inter-secretariat levels. Special attention should be brought to the problem of avoiding duplication of work and overlaps, particularly in the economic and social sectors. CPC recommended further refinement of the

(Mr. Traxler, Italy)

methodology and the inclusion of cross-references to other relevant activities in each subprogramme. Such an initiative would probably be helpful. In conclusion, the Twelve hoped that CPC and ACC would strengthen their efforts for better co-ordination throughout the system so that it might be perceived as an effective tool of international co-operation.

25. Mr. TISLER (Czechoslovakia) said that progress had been achieved in preparing the medium-term plan, the Secretariat having taken into account the various elements of the planning, programming and budgeting process, the importance of which was emphasized by the General Assembly in resolution 44/194. The process should be flexible enough to allow resolutions and decisions yet to be adopted by the General Assembly and the Economic and Social Council to be integrated into the plan before it came into effect. Generally speaking, his delegation was satisfied with the introduction, which it found balanced and comprehensive. It welcomed the emphasis placed on the maintenance of peace, disarmament, economic and social development and the protection of human rights, as well as the need to enhance the Secretary-General's role in the prevention of conflicts. It wished to emphasize, however, that the achievement of those goals depended primarily on the political will of Member States, reflected in the timely payment of their contributions in full, both to the regular and to the peace-keeping budgets of the Organization. In 1990 the Government of Czechoslovakia would be paying a second instalment of what it owed to the United Nations for the maintenance of UNIFIL, which the former régime had refused to finance.

26. The consideration of the proposed medium-term plan was also an opportunity for assessing the contribution of the reform process to the strengthening of the Organization's effectiveness. The proposed plan should therefore be considered in connection with the Secretary-General's report on the implementation of resolution 41/213, particularly since the plan had been prepared in accordance with the new planning process laid down in that resolution and subsequent resolutions of the General Assembly. In conclusion, he said that his delegation endorsed the conclusions and recommendations in the report of CPC, which it believed reflected in a balanced manner the consensus arrived at by that Committee.

27. Mr. Maycock (Barbados) took the Chair.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991

Activities of the Advisory Committee on Administrative and Budgetary Questions (A/45/7)

28. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the purpose of the Advisory Committee's first report was to provide the Fifth Committee with an overview of the questions which the Advisory Committee had considered at the meetings it had held in Santiago, New York, Geneva and Vienna in 1990. The report therefore covered a large number of issues, many of which would be dealt with in separate reports to be submitted to the Fifth Committee during the current session. Consequently, the report did not contain any recommendations requiring a decision by the Fifth Committee. It might perhaps wish to take note of the report.

29. Mr. GARRIDO (Philippines) said that he would like the Secretariat to explain whether the special account referred by the Advisory Committee in paragraph 10 of its report would be used for all peace-keeping operations. If so, what would happen to the procedure that had been used thus far? Regarding the unutilized balance of the funds allocated to peace-keeping operations, he asked whether the sums owed to Member States could be used to cover arrears of contributions to the regular budget.

30. The CHAIRMAN proposed that the Committee should take note, with satisfaction, of the first report of the Advisory Committee.

31. It was so decided.

Work-load standards for various categories of conference-servicing staff, including clerical and typing staff, and work-load statistics for the various conference services in the 1986-1987 and 1988-1989 bienniums (A/45/7/Add.1; A/C.5/45/1)

32. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced document A/45/7/Add.1, in which the Advisory Committee discussed the Secretary-General's proposals on work-load standards for seven categories of conference-servicing staff. The Advisory Committee noted that the work-load standards approved by the General Assembly several years earlier had been established before the introduction of technological innovations. In the case of typists, for example, the Secretary-General indicated in paragraph 8 of his report that word processing had significantly increased the productivity of typists. Accordingly, the Secretary-General was proposing a 25-per-cent increase in the relevant work-load standards. The Advisory Committee noted the problems cited by the Secretary-General as reasons why the increase in productivity had not been greater, but took the view that the difficulties were not insurmountable and that as the Secretariat gained more experience in the use of modern technology the work-load standards might be further revised. It recommended that for the time being the work-load standards for typists should be increased by 30 per cent.

33. Referring to the observations made by the Secretariat on the quality of documents submitted to the Department of Conference Services in electronic form, the Advisory Committee recommended various measures in paragraph 4 of its report, in particular the establishment of standards which would help to enhance the Department's over-all productivity.

34. With regard to translation, the Advisory Committee noted that the Secretary-General was proposing that the proportion of documents subject to self-revision should be increased to 40 per cent. The target set when that self-revision had been introduced was 45 per cent. In view of the fact the Secretariat acknowledged that its proposals had been developed more as a rule of thumb, the Advisory Committee recommended that the original target of 45 per cent should be maintained.

35. There were no work-load standards for reproduction. For the reasons set out in paragraph 6 of its report, the Advisory Committee recommended that the figure of

20,000 page impressions should serve as a starting-point for Geneva, rather than the 15,000 proposed by the Secretary-General.

36. The Secretary-General was not proposing any changes in the existing work-load standards for interpretation, précis-writing and verbatim reporting. The Advisory Committee would continue to follow the matter with interest, especially with regard to the use of temporary assistance for the provision of those services.

37. As indicated in paragraph 8, the Advisory Committee continued to be dissatisfied with the situation in Vienna. It would revert to that question during its consideration of the proposed programme budget for the biennium 1992-1993.

38. In paragraphs 10 to 17 of its report, the Advisory Committee reviewed the information it had obtained from the specialized agencies on the subject of work-load standards. The conclusion it had reached was that, except for interpretation, for which there existed an agreement that was generally applied by a number of agencies, there were no unified work-load standards for conference-servicing staff in the United Nations system. The Advisory Committee therefore recommended that the Secretariat should, in the context of appropriate inter-agency consultations, explore the possibility of introducing uniform standards wherever possible in those areas which were not currently covered.

39. Subject to the observations made in paragraphs 3, 5, 6 and 18 of its report, the Advisory Committee recommended that the Fifth Committee should approve the work-load standards set out in the annex to the document under consideration.

40. Mr. MICHALSKI (United States of America) found the Secretary-General's proposals disappointing. Although the question of work-load standards had been under consideration for several years, very few changes were envisaged and in many fields there were still no standards set. In the case of typists in particular, the work-load standards seemed very low: compared with the standard of 70 words a minute currently required from skilled secretaries in New York, the daily work-load at the United Nations would correspond to one hour's work. Aligning the salaries paid such staff with salaries paid outside could be justified only if work-load standards were also more or less in alignment.

41. His delegation would like the representatives of the Secretary-General to explain what they meant when they said that the introduction of new technology would obviously not improve the quality of the documents submitted to the Department of Conference Services. Given the high level of qualifications required of the staff, it was surprising that officials needed to be taught how to draft better. Moreover, it would have been desirable for the Advisory Committee to explain whether its recommendations, in particular those in respect of self-revision, would be reflected in a reduction in staff requirements in the programme budget. His delegation noted with regret that the situation in Vienna was still unsatisfactory and that there were still no standards for the United Nations system as a whole. It was not opposed to adopting the recommendations before the Fifth Committee but it would like the Committee to decide to follow up

(Mr. Michalski, United States)

the matter with a view to raising the work-load standards of the Department of Conference Services to a satisfactory level.

42. Mr. WYZNER (Under-Secretary-General for Conference Services and Special Assignments), replying to the questions put by delegations, noted first of all that work-load standards were applied to all conference services, which was not always the case in other parts of the Secretariat. The Department was a pioneer in that respect; it had also been one of the first to take advantage of new technology, which was a prerequisite for any increase in productivity. Obviously, work-load standards could hardly be expected to be raised in sectors in which there had been no technical advances for a number of years; on the other hand, in a sector such as word-processing, where there had been many innovations, it had been possible to raise standards.

43. It was difficult to compare the work done by secretaries outside with the work of the word-processing services in an international organization such as the United Nations where often very complex documents had to be produced in six languages. It was also often the case that a single document was the result of several successive revisions, which the statistics did not take into account.

44. It would be seen that the other organizations referred to in the Advisory Committee's report, some of which were outside the United Nations system, applied by and large the same approach as the United Nations in regard to work-load standards. It was clear, however, that there was still room for improvement, hence the proposals put before the General Assembly and approved by the Advisory Committee. The Department would make every effort to apply the new standards recommended, but at the same time there would have to be improvements in such areas as mission planning.

45. As far as savings were concerned, 8 per cent of the permanent posts in the typing units had been discontinued (20 posts out of 257) and, in 1987, a number of the temporary posts provided for in the budget had not been filled; in addition, the number of temporary staff engaged for sessions of the General Assembly had been reduced from 81 to 48, almost a 50 per cent reduction. The gains in productivity would undoubtedly lead to additional savings but, for the time being, it was necessary to wait and see what results the implementation of the new standards yielded before making other proposals.

46. A report on the question of unifying conference services at Vienna would shortly be put before the Fifth Committee. Currently, there were three separate services at that headquarters station and their regrouping in a single service, managed by the United Nations, would unquestionably provide a more effective solution that would allow savings to be made. The steps taken in that direction would be described in detail in the report in question.

47. The Department's criteria for recruitment were highly selective. All language posts were filled by competitive examination. The examinations were difficult, and were a good test of candidates' qualifications. In paragraph 4 of its report, the Advisory Committee touched on the problem of the quality of the documents received

from the submitting departments and expressed the view that training in that respect should be improved, a recommendation that he wholeheartedly endorsed.

48. Mr. DANKWA (Ghana) said that setting work-load standards for the Department of Conference Services was supposed to help the Fifth Committee to evaluate the expenditure on conference services. From that point of view, the Advisory Committee's recommendations should be regarded not as mandatory criteria but rather as overall guidelines, offering a basis for discussion between the Advisory Committee and the Department. The Fifth Committee should therefore simply take note of the Advisory Committee's recommendations and urge it to continue its dialogue with the Department.

49. Mr. GARRIDO (Philippines) asked whether the revised standards recommended by the Advisory Committee also applied to the regional commissions.

50. Mr. WYZNER (Under-Secretary-General for Conference Services and Special Assignments) said that conditions of work were different in some offices away from Headquarters, particularly where there was no word-processing equipment. The revised standards were applicable only where technological innovations had been introduced, as had been recognized by the Advisory Committee. The standards were thus not universally applicable to all duty stations.

51. It should, moreover, be noted that word processing, far from being a mere typing function, included such new functions as formatting, proof-reading and document indexing, which together comprised an overall process. There could thus be no stop-watch attitude to word processing.

52. Mr. MICHALSKI (United States of America) said that it would be useful for interested delegations to be able to hold informal consultations on the very important question of work-load standards for conference services. Appropriate measures in that area could result in substantial savings, which would free additional resources for programmes. With regard to the functions referred to in paragraph 9 of the report by the Secretariat (formatting, document retrieval, etc.), it should be noted that some of them took very little time. Moreover, contrary to what was stated in the report, word processing facilitated such functions as the proof-reading of documents.

53. Mr. WYZNER (Under-Secretary-General for Conference Services and Special Assignments) said that most of the functions listed in paragraph 9 had been cited by way of example. It went without saying that those functions did not all take the same amount of time and that some of them took less time than plain typing. The point was that, in the case of some documents, work-loads could not be measured solely in terms of words per day.

54. Another important question referred to by the representative of the United States was that of inter-agency co-ordination. Co-ordination was already being undertaken in the context of the inter-agency meetings on language arrangements, documentation and publications, which took place once a year and dealt with questions relating to technological innovations. As the officer presiding over

(Mr. Wyzner)

those meetings, he would impress on the participants the need for closer co-ordination in terms of technological innovations and work-load standards. He stressed that in that area the United Nations was in the vanguard of the common system, as the information gathered by the Advisory Committee demonstrated. He hoped that the other organizations would follow the United Nations lead, thereby enabling common standards to be applied, as had already happened in the case of interpretation, where an agreement had been reached between CCAQ and the International Association of Conference Interpreters.

55. The CHAIRMAN suggested that the Committee should defer its decision on the question before it to the following day's meeting, pending the results of informal consultations which the United States delegation was intending to co-ordinate.

AGENDA ITEM 124: PATTERN OF CONFERENCES (continued) (A/45/32)

PRINTING REQUIREMENTS OF THE UNITED NATIONS (A/C.5/45/8)

56. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that following the brief meeting that had been held recently between the Committee and representatives of the Secretary-General, he was in a position to confirm the views expressed by the Advisory Committee at the 11th meeting.

57. Mr. GARRIDO (Philippines) said that internal printing capabilities should be improved or modernized so as to reduce external printing costs. He asked whether the Secretary-General had issued guidelines to minimize the number of successive versions of documents printed externally. He also wished to know what percentage of all printing was done externally.

58. Mr. MICHALSKI (United States of America) said that at the previous meeting it had been stated that official documents of the Security Council and of the Economic and Social Council had to be printed externally because of their format. He would welcome clarification of that point. Further, he noted that his delegation was currently receiving verbatim records of Security Council meetings held in 1983, and asked whether those documents had been printed externally.

59. Mr. PATTERSON (Chief Editor) said that, owing to a lack of the necessary typesetting equipment, official documents could not be printed internally in all languages. Nevertheless, the planned introduction of electronic typesetting equipment should ultimately enable verbatim records in all languages to be printed internally. For the time being, the typesetting of verbatim records of Security Council and General Assembly meetings was still done externally.

60. In order to use external services as economically as possible, care was taken to ensure that documents being printed were not continually revised by submitting departments and that, once printed, they were not sent back to printers for further revision. In any event, if changes were absolutely necessary, it was preferable to make them during printing, despite the additional costs, rather than subsequently to issue a corrigendum. It was important to monitor costs in that area through careful management. The Documents Control Section played a decisive role in that,

(Mr. Patterson)

in co-operation with submitting departments, it ensured that documents printed externally were revised as little as possible.

61. The Organization worked with various printers and generally obtained several quotes. Quotes given over the telephone had to be confirmed by facsimile.

62. Mr. MICHALSKI (United States of America) asked whether it would not be possible to change the format of official documents of the Security Council and Economic and Social Council to eliminate the need for external typesetting.

63. Mr. PATTERSON (Chief Editor) said that typesetting involved reducing the length of documents and making them more readable. It was important for official documents to be presented in as clear and concise a manner as possible. As stated, it was hoped to be able to print such documents internally by means of electronic typesetting equipment.

64. Review of the publications programme as a whole over recent years revealed that the proportion of documents produced entirely in-house had risen from just under 60 per cent to slightly over 63 per cent at Headquarters, and from 58 per cent to approximately 63 per cent at other duty stations. Other documents were either produced partly externally and partly internally, or were produced externally in their entirety.

65. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee wished to approve the Secretary-General's recommendations in document A/C.5/45/8.

66. It was so decided.

The meeting rose at 12.50 p.m.

UNITED NATIONS

General Assembly

FORTY-FIFTH SESSION

Official Records

FIFTH COMMITTEE
15th meeting
held on
Wednesday, 24 October 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 15th MEETING

Chairman: Mr. MAYCOCK (Barbados)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 126: PERSONNEL QUESTIONS

(a) COMPOSITION OF THE SECRETARIAT

(b) RESPECT FOR THE PRIVILEGES AND IMMUNITIES OF OFFICIALS OF THE UNITED NATIONS AND THE SPECIALIZED AGENCIES AND RELATED ORGANIZATIONS

(c) OTHER PERSONNEL QUESTIONS

AGENDA ITEM 125: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued)

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

This record is subject to correction.
Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, Room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

90-56543 2967S (E)

Distr. GENERAL
A/C.5/45/SR.15
12 November 1990
ENGLISH
ORIGINAL: FRENCH

The meeting was called to order at 10.20 a.m.

1. The CHAIRMAN asked delegations if they had no objection to inviting a representative of the Staff Union to introduce, at a subsequent meeting, a document which the Staff Union intended to submit to the General Assembly in accordance with resolution 35/213.

2. It was so decided.

AGENDA ITEM 126: PERSONNEL QUESTIONS (A/45/541 and A/45/548; A/C.5/45/3, A/C.5/45/10 and Corr.1, A/C.5/45/11, A/C.5/45/12, A/C.5/45/18 and A/C.5/45/19)

(a) COMPOSITION OF THE SECRETARIAT

(b) RESPECT FOR THE PRIVILEGES AND IMMUNITIES OF OFFICIALS OF THE UNITED NATIONS AND THE SPECIALIZED AGENCIES AND RELATED ORGANIZATIONS

(c) OTHER PERSONNEL QUESTIONS

3. Mr. CISS (Assistant Secretary-General for Human Resources Management), after paying tribute to his predecessor, reviewed some of the personnel questions dealt with in the various reports submitted under agenda item 126. Leaving it to the Legal Counsel to introduce the report on the privileges and immunities of officials (A/C.5/45/10) at greater length he touched only briefly on the question of the security and protection of staff members. Pointing out that the security situation of staff members had continued to deteriorate in a number of countries, he stressed the obligations incumbent on Member States in that regard and expressed his determination to exert every effort to ensure respect for the immunities and privileges of international civil servants as an essential condition for the success of the activities of the United Nations.

4. Turning to the report on the composition of the Secretariat (A/45/541), he said that between July 1989 and June 1990 the number of underrepresented Member States had been reduced from 26 to 19, despite recruitment restrictions, and the number of unrepresented States had decreased from 11 to 10 with the recruitment of a national of Dominica. He counted on the co-operation of the Governments concerned, which could help to improve the figures still further by submitting applications for available posts from qualified candidates and, whenever necessary, by facilitating access by the Office of Human Resources Management (OHRM) to professional associations and national media. On the method of grouping Member States presented in section D of the report, he specified that the options presented were only examples and that it was for the Fifth Committee to decide on the composition of the groupings.

5. Some progress had been made with regard to the improvement of the status of women in the Secretariat (A/45/548), but every effort must continue to be made to bring about a quantitative and qualitative increase in the representation of women. The successful participation of women in the United Nations mission in

(Mr. Ciss)

Namibia must not be forgotten. A number of measures had been taken during the year to improve the status of women, including emergency measures to attain the 30 per cent target set for the representation of women in posts subject to geographical distribution. He intended to monitor those measures to decide whether to maintain or expand them, and looked forward to the annual report of the Steering Committee for the Improvement of the Status of Women in the Secretariat. He thanked the many Permanent Missions which had collaborated with the Secretariat in that area.

6. Since the end of June 1990 further progress had been made, with the appointment of another 13 women to posts subject to geographical distribution and an increase in the number of women at the D-2 level from 8 to 10. The number of women at the D-1 and P-5 levels had decreased, however. OHRM intended to continue its efforts in that direction and counted very much on the co-operation of the Member States concerned in that regard.

7. On the subject of the administration of justice in the Secretariat (A/C.5/45/11), OHRM co-operated closely with the Office of the Under-Secretary-General for Administration and Management in ensuring that the appellate system continued to function efficiently and that, wherever possible, staff grievances were settled informally in order to avoid costly litigation.

8. The report on secondment from government service (A/C.5/45/12) set out recent developments relating to the practice of secondment following a judgement by the United Nations Administrative Tribunal. The report sought to identify the main hypotheses that might serve as a basis for the Secretary-General's policy in that area and requested the General Assembly's approval of the proposed approach. It stated that, under certain circumstances, secondment might undermine the independence and efficiency of the Secretariat, and specified that new procedures would be established to avoid any ambiguity in the future. The Secretary-General would give all staff coming within the ambit of resolution 37/126 consideration for a career appointment, bearing in mind the necessity of securing for the Organization the highest standards of efficiency, competence and integrity. Many staff members previously considered to have been on secondment would in future be treated as being on fixed-term contracts.

9. He then briefly reviewed the activities of OHRM pursuant to General Assembly resolutions A/44/185 and A/43/224, pointing out that those activities had been carried out in the difficult context of retrenchment and the staffing of important peace-keeping missions. Reporting on progress made in the area of career development, he referred, in particular, to a Career Development Handbook for staff in the General Service category, which had been compiled by the OHRM and should be published shortly.

10. Systematic training in office automation had been conducted, with a massive programme for retraining Headquarters staff with a view to the standard use of Word Perfect software, the provision of equipment and software to all duty stations away from Headquarters to establish self-study centres, and the development of a

(Mr. Ciss)

comprehensive training programme in the Economic Commission for Africa (ECA). In addition, a standard programme for training in supervisory skills had been developed and should benefit all staff members concerned. The retraining of staff had received the requisite attention within the limits of available resources, and the External Studies programme had been expanded. Furthermore, seven Professional staff members from six offices away from Headquarters were attending university courses as part of the Sabbatical Studies programme.

11. Additional measures had been taken to strengthen the linguistic capabilities of staff, especially those in posts subject to geographical distribution, with the organization of workshops and courses to address specific language needs, the preparation of self-study courses in English, French and Spanish, the publication of drafting handbooks in English and French, and the development of self-study materials in Arabic in anticipation of a mission to Western Sahara.

12. However, if the United Nations was to be in a position to rise creatively and competently to the challenges of the 1990s and beyond, the occupational training programme must be overhauled so that it fulfilled its essential function. The General Assembly must not confine itself to recognizing the importance of training, but must give it the key role it deserved in programme planning and budgeting. OHRM therefore hoped that the medium-term plan strategies proposed for the 1990s would receive the support of Member States.

13. There was a growing malaise among staff members, who now had fewer opportunities for advancement because of the retrenchment exercise and because of the rigidity of the job classification system that led to the blocking of staff members at the same level whatever their experience or the quality of their work. One way to improve the morale and motivation of the staff while at the same time maintaining the integrity of the job classification system would be, in the case of the entry and middle levels (P-2 to P-4 and G-1 to G-5), to base the promotion of staff members on merit and seniority, whether posts existed or not. For staff at the higher levels, the availability of posts classified at the higher level would still remain a prerequisite for promotion. Those ideas required further reflection. Meanwhile, OHRM was planning to authorize personal promotions in certain cases where serious blockages existed even if no higher level post was immediately available.

14. In order to solve those problems, he had already launched a review process of the current systems for the assignment and promotion of staff. As soon as specific proposals for reform had been developed he would, together with staff and management representatives, undertake consultations which he considered essential for the success of the reforms. The short-term goal was to institute a transparent and objective system for the management of personnel movements and promotions which would encourage mobility while ensuring opportunities for advancement for qualified and competent staff members. In the longer term, he hoped to establish a wider system of career development for all categories of staff; that would require considerable work and time. Efforts had already been made to improve the format of the performance evaluation reports.

(Mr. Ciss)

15. National recruitment examinations were to be organized at the P-3 level in 1991 for two occupational groups, on the understanding that the P-3 posts needed for the promotion of staff members at the P-2 level having the required qualifications would be excluded from those examinations. He noted that the further extension of the competitive examinations to all occupational groups within the Secretariat, if the results were satisfactory, would require some additional resources. It was also intended to improve the G to P promotion system and to expand its scope.

16. In conclusion, he stressed that, now more than ever, it was important for the Secretariat to employ highly qualified men and women and to be given the means to update and develop the qualifications of the staff. His aim was to give a high level of priority to competence and talent in the recruitment, assignment, training and promotion of staff. He would at a later date submit to the Fifth Committee a report on what had been done in that area and on his long-term plans.

17. Mr. FLEISCHHAUER (Under-Secretary-General, the Legal Counsel), introducing the report of the Secretary-General on respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/C.5/45/10 and Corr.1), said that, as in previous years, the report was presented on behalf of the Administrative Committee on Co-ordination (ACC). It covered the period from 1 July 1989 to 30 June 1990 and was based on the information provided by the members of ACC.

18. In recent years, the United Nations, as never before, had served as a centre of international diplomacy. Peace-keeping, peace-building and various other activities had expanded substantially. The United Nations had become more operational: in Namibia alone, 8,000 persons had been deployed. Consequently, it was important to provide favourable conditions for staff members to enable them to discharge their duties; indeed, sometimes that was a crucial requirement. At its previous session, the General Assembly had once again emphasized the importance of scrupulous respect for the privileges and immunities of officials and had called upon all Member States impeding officials in the proper discharge of their duties to review the cases brought to their attention and to resolve them with all due speed.

19. The report placed in the forefront the cases of arrest, detention, abduction - and even loss of life - which continued to be a matter of the gravest concern to the Secretary-General and the executive heads of the organizations concerned. Unfortunately, despite the efforts undertaken, the number of cases of arrest and detention remained very high during the reporting period. As in previous years, most of the cases related to official of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), but some other agencies were also concerned. The alarming fact was that it was not only the staff members who were involved; members of their families, in particular children, had also been subject to arrest or detention. Efforts had been made to intervene with the authorities, but often without success. Paragraphs 8 to 14 and annex II contained detailed information regarding cases of arrest, detention, abduction and loss of life. Annex I provided a consolidated list in chronological order.

(Mr. Fleischhauer)

20. Although all the cases cited in the report deserved equal attention, there were some which were particularly disquieting: for example the case of Mrs. Guenet Mebrahtu, a WHO staff member who had been arrested by the Ethiopian security forces on 8 June 1989 and was still being held in custody. No formal explanations had been given. Three FAO staff members of Afghan nationality - Mr. Danlat Mir, Mr. Saleem Hairan and Mr. Mohamed Omar - had been arrested and forcefully conscripted into military service. Mention should also be made of the serious developments which had taken place recently in Rwanda, although they had not occurred within the reporting period. On 5 and 7 October 1990, the Rwandese military forces had arrested five staff members employed by UNICEF, UNDP and ILO. After several unsuccessful attempts on the part of the resident designated official, the Secretary-General had sent a note verbale to the Permanent Representative of Rwanda on 18 October 1990.

21. A number of staff members had, however, been released, for example, Mrs. T. Jawabri, an FAO staff member who had been arrested in 1982, and Mr. Sami Izza, a staff member of the United Nations Disengagement Observer Force (UNDOF), who had been detained since 1985.

22. On the issue of travel restrictions in the United States, there had been a number of positive developments. The United States Government had lifted its restrictions on staff members of Czechoslovak, Hungarian and Polish nationality. It was to be hoped that other similar restrictions would also be removed. In that connection, the Secretary-General noted with regret that the United States had recently introduced restrictions for nationals of Iraq. In his note verbale addressed to the Permanent Representative of the United States, he had repeated his position of principle regarding the discriminatory treatment of staff members of the Secretariat solely on the basis of their nationality.

23. In paragraph 16 of the report, it was stated that World Food Programme (WFP) staff members were sometimes denied access to certain operational areas for security reasons. That issue might require careful consideration at the current session.

24. Certain Member States continued to impose taxes on the salaries of their nationals. As had been emphasized on many occasions, that practice was a violation of the privileges and immunities granted to United Nations staff.

25. In his previous report, the Secretary-General had raised the question of the applicability of article VI, section 22, of the Convention on the Privileges and Immunities of the United Nations to the case of Mr. Dimitri Mazilu, former Rapporteur of the Sub-Commission on Prevention of Discrimination and Protection of Minorities. The International Court of Justice had concluded, inter alia, that persons (other than United Nations officials) to whom a mission had been entrusted by the Organization, i.e., experts on mission, were entitled to enjoy the privileges and immunities provided for in that article with a view to the independent exercise of their functions. In his capacity as Special Rapporteur, Mr. Masilu had to be regarded as an expert on mission. Notwithstanding, the advisory opinion had very wide implications.

(Mr. Fleischhauer)

26. With reference to measures and proposals in furtherance of the safety of officials, the measures taken by WFP to cover risks to its personnel in high-risk areas could serve as an example of a possible solution.

27. Mr. NIKIFOROV (Union of Soviet Socialist Republics) said that the world was witnessing the emergence of a new order which would no longer be based on confrontation; the international community should therefore devote itself to the following activities: adjusting United Nations activities and structures to the new realities; improving co-ordination in the work of international organizations; and ensuring better utilization of their resources. The Soviet Union accordingly shared the view that the ultimate objective of United Nations human resources management policy should be to achieve the highest standards of efficiency, competence and integrity in the international civil service and to make it a model of efficient executive machinery.

28. In that context, his delegation was pleased to note that the objectives of the administrative and budgetary reform had generally been fulfilled. It highly appreciated the contribution made by the senior officials of the Secretariat and above all by the Secretary-General. Improving the functioning of the United Nations executive machinery had become one of the components of new political thinking, and the Soviet Union had made its own contribution to that process by discarding obsolete approaches to personnel matters. Recognizing the need to ensure continuity and maintain a permanent core of highly qualified personnel, it had amended its recruitment criteria; henceforth, Soviet specialists would serve in the Secretariat so long as the Organization required. Some of them had received career appointments and the number was increasing. The Soviet Union intended to comply fully with the international norms and standards for practices associated with the service of Soviet citizens in international organizations.

29. On the issue of secondment, his delegation welcomed the calm and well-balanced tone of the Secretary-General's report (A/C.5/45/12). It shared the concern expressed regarding the guarantees to be provided to staff members returning to the service of their own Government. The proposed arrangement for secondment contracts would certainly add to their employment security. There was legislation in the Soviet Union to protect the rights of civil servants. Generally speaking, the basic hypotheses suggested in the report for establishing guidelines designed to maximize efficiency while bearing in mind the legitimate interests of Member States seemed acceptable. They should make it possible to defuse the issue and would eventually contribute to better administration of the Organization.

30. Like the approach of the Secretary-General, the position of the Soviet Union on personnel matters was based on the recognition that administrative reform was essentially a continuous process for developing self-regulating machinery highly responsive to the changing requirements of the international community. The long-term recommendations of the Group of 18 were still relevant and would continue to serve as guidelines for future work. The role of the Secretary-General in personnel matters, as the Organization's Chief Administrative Officer, should be strengthened, in strict conformity with the Charter and the interests of the

(Mr. Nikiforov, USSR)

international community. Personnel management must be based on clear, coherent and transparent rules and the work of the Office of Human Resources Management in that respect should be reactivated.

31. The Soviet Union was in favour of holding more national competitive examinations for recruiting junior officials. Furthermore, it was impossible to achieve the highest standards of efficiency, competence and professional integrity without an effective system of evaluation. Much remained to be done in that field.

32. Unfortunately, the recommendation on the role and functions of the Staff Union and non-interference in the administrative functions of the Secretary-General had not been satisfactorily implemented. Furthermore, the practice of financing union activities from the Organization's budget was difficult to justify.

33. His delegation was in favour of stricter application of the rule limiting heads of departments and divisions to a ten-year maximum term of office, on the ground that periodic rotation of high-level officials had a beneficial effect on the work of the Secretariat.

34. As a major contributor, the Soviet Union could not remain indifferent to the need to improve staff efficiency. In its view, the high predominance of career appointments was the principal obstacle. A reasonable balance of permanent and fixed-term appointments would have a number of clear advantages: it would at long last be possible to achieve an equitable geographical distribution for all Member States at all levels; the Secretariat would have the necessary flexibility in personnel management and redeployment; interchanges between national and international civil services would be developed; lastly, it would be easier to dismiss unsatisfactory staff members. The Soviet Union fully realized that the problem could not be solved overnight, but it was disappointing that little or nothing was being done to address it. At WHO, 80 per cent of the staff were on fixed-term appointments. At UNESCO, the proportion was 75 per cent. Without necessarily copying the policies of those organizations, the United Nations could establish a reasonable balance of different types of appointment.

AGENDA ITEM 125: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/45/11)

35. Mr. OSELLA (Argentina) said that the proposals put forward by the Committee on Contributions responded to a certain extent to the wishes expressed by the Fifth Committee but could be improved still further on certain points. The fundamental criterion used in establishing the scale, namely capacity to pay, seemed to meet with unanimous approval. At the same time the scale should reflect the general trends in the world economy as expressed in the individual situations of countries. That was why additional factors, such as those specified in resolutions 43/223 and 44/197, had been introduced. However, the fact that proposals were logical and coherent did not mean that they would necessarily achieve the desired results. In recent years, a paradoxical situation had emerged: the share of the expenditure assumed by the developing countries had increased, as a direct

(Mr. Osella, Argentina)

consequence of the deterioration of their economic and financial situation. Over the same period, some industrialized countries had seen their assessments reduced despite considerable improvement in the economic situation. It was not his delegation's intention to engage in polemics, but that trend risked compromising application of the basic principle, namely apportionment of the Organization's expenses in accordance with the capacity to pay. Account should be taken in the next scales of the effects of inflation and exchange rates, which would make it possible to correct the distortions linked to the relationship between national exchange rates used to convert United States dollars and the level of domestic prices. The idea was not new and had already been used by the Committee on Contributions to determine the income of countries with high rates of inflation. His delegation thought that that method should be used until the Fifth Committee made its application general. It was therefore in favour of continuing the work started on studying various exchange rates in relation to prices.

36. Raising the upper per capita income limit to $2,600 would be a step in the right direction but not enough for the developing countries. His delegation, like others, was in favour of a reasonable level that would take into account the depreciation of United States currency. It was in favour of maintaining the gradient at its current level of 85 per cent.

37. The income-adjustment mechanism used for interest payments was a major component. Argentina endorsed the principle behind the proposal submitted by the Committee on Contributions, but felt that it was distorting the original underlying idea. That idea had been simple: to grant some relief to the heavily indebted countries, but subsequently, as a result of various factors included to refine the method, the fundamental object had ultimately been lost from view. It would be recalled, for example, that in the scale approved in 1985, the ad hoc formula had been of advantage to no more than 37 countries. From a document distributed on 23 October it could be seen that Australia had enjoyed a reduction of 20 points, as against the reduction for Argentina of only 1 point. It was well known that those two countries had different burdens to bear. The proposals of the Committee on Contributions were of advantage to only 20 developing countries, while 13 developed countries benefited from the adjustment proposed for indebtedness. As a result, to the extent that the notion of indebtedness - defined as the burden which the heavily indebted countries had to bear - was not duly allowed for, Argentina would wish the Committee to re-examine the initial idea underlying the "debt adjustment".

38. The statistical base period of 10 years gave the methodology a certain stability, but to enable it to reflect the real capacity to pay, a greater weight should be given to the most recent years.

39. Argentina supported the suggestion of the Committee on Contributions that the scheme of variation limits, as used at present, should be kept. With regard to special adjustments, Argentina supported the recommendations for a greater degree of transparency.

40. Finally, Argentina shared the concern expressed by the representative of Yemen and was ready to support the Yemeni proposal.

41. Mr. MONAYAIR (Kuwait) said that he would have preferred the statistical base period to be reduced from 10 to 5 years, to make better allowance for fluctuations in the economic situation of the various countries. It would also have been desirable, for calculating assessments, to take into account the particular situation of those countries which depended on a single product. To give a greater degree of fairness, it would have been necessary also to allow for various other factors. In invading Kuwait, Iraq had pillaged the country and totally dispossessed it, going so far as to destroy all its archives and suppressing the Kuwaiti dinar.

42. Mr. WILKINSON (United States of America) said that the United States had never agreed that capacity to pay should be the fundamental criterion for determining the scale of assessments, since such a criteria had the effect of denying the sovereignty and equality of Member States, of putting a disproportionate reliance on too small a number of contributors, and of discouraging responsible positions on budgetary issues. The best way for Member States to keep their assessments at levels that their Governments could afford was by controlling United Nations budgets and energetically pursuing means to keep down spending. Moreover, defining the real capacity to pay of Member States was an impossible task. With no agreement on the exact meaning of capacity to pay, it was perfectly understandable that delegations would want to weigh in with their own particular concerns and interests.

43. Attempts by Member States to fine-tune the present scale had the effect, of course, of robbing Peter to pay Paul. While not proposing a new basis for determining the scale, nor seeking to lower its own assessment rate, the United States urged the various delegations at least to give some thought to the desirability of finding a new basis for determining the scale, one that would spare the Fifth Committee the unfortunate arguments surrounding the technical complexities of the scale and, more importantly, would enable the formulation of a scale of assessments that would be simple, clear and understandable to all. The United States wished to stress, however, that it felt that the Committee on Contributions had done a heroic job under particularly trying circumstances. The Fifth Committee should refrain from providing the Committee on Contributions with further detailed instructions on the current scale.

44. The United States was emphatically opposed to any effort to change the composition of the Committee on Contributions. Since a handful of countries contributed some 80 per cent of the United Nations' resources, it was at the very least surprising to hear that those countries were over-represented on the Committee on Contributions. Furthermore, enlarging that Committee would merely weaken the effectiveness of that expert body.

45. Substantial progress had been achieved in reducing the administrative costs of the Organization, with no negative impact on programmes, and further savings were possible. It was thus to be hoped that the Fifth Committee would focus its efforts on those measures that would control the rate of growth in assessments for all members.

46. Mr. ALI (Chairman of the Committee on Contributions), in response to the questions raised by delegations during the general debate, observed that wide agreement existed with regard to the underlying principle of methodology, the capacity to pay. Despite the reservations voiced by Brazil, Cuba, Poland and others, most Member States saw the advantages of stability and predictability offered by a statistical base period of 10 years. The scheme of limits was another component of the methodology which was acceptable to most delegations in its present form, despite its distorting effect on the capacity to pay as determined by the other components.

47. Most delegations had supported the Committee's recommendation regarding the increase to $2,600 of the upper per capita income limit, to give some relief to the low per-capita-income countries. However, there were several delegations, Mexico, Poland, Tunisia and Venezuela among them, which felt that, while the proposed increase was a step in the right direction, it did not go far enough. Mexico had proposed a limit of $3,220 based on the Consumer Price Index of the United States, and a real growth rate of 2.9 per cent per year or 18.7 per cent between 1986 and 1992. The Committee on Contributions could certainly review the level of the upper per capita income level again in future years. It should not be forgotten, however, that the delegations of Australia, Japan and Pakistan had observed that such an increase beyond $2,600 might benefit Member States not ordinarily included in the group of developing countries. In that connection, conference room papers 1 A and 1 B, which showed the step-by-step application of the scale methodology including the impact of the ceiling, the floor, and the scheme of limits on the machine scale resulting after the application of the low per capita allowance formula, gave an answer to the question from Poland regarding the one-point increase.

48. India had raised a point regarding the duplication of the effect of the low per capita income allowance formula, if countries with very low per capita incomes were automatically excluded from the allocation of any additional points as a result of the application of the scheme of limits. It was true that no particular consideration was given in the formula to countries with very low per capita incomes, but the formula did provide for progressively larger deductions from national income with declining per capita incomes. For instance, given an upper per capita income level of $2,600 and a gradient of 85 per cent, a country with a per capita income of $1,000 would receive a reduction from its national income of 52 per cent, whereas a country with a per capita income of $200 would receive a reduction of 78 per cent, with only 22 per cent of its national income being accessable.

49. With regard to the issue of price-adjusted exchange rates (PARE), several delegations, including India, the Nordic countries, Pakistan, Tunisia and Venezuela had spoken in favour of incorporating PARE into the methodology, or had raised questions about data availability and remaining obstacles. In fact, the utilization of PARE was hampered merely by some countries' well-known political difficulties in accepting its application.

50. Debt relief had seemed to be the most controversial issue. Many delegations had supported the Committee's proposal but a number of others had had strong

(Mr. Ali)

reservations about it, which seemed to concern the effect of the proposal more than the methodology itself. The Committee's recommendation had been an attempt to place the debt relief component of the methodology on a sounder conceptual foundation than had been the case with the methods employed for the preceding two scale. For the refinement of this process, it had been hoped that for the next scale, country-specific loan stock data and repayment schedules would have been available from a study undertaken by a joint working group of IMF, the World Bank, OECD and the Bank for International Settlements. However, that study had had to be abandoned, and the Group was currently studying balance-of-payment data, which should make it possible to give more reliable external debt information for all countries. The results of the new study were expected in 1993.

51. At the same time, the Committee on Contributions had begun to explore alternative income concepts. The advantage of the concept of debt-adjusted income was that it reflected the actual financial burden of a country's repayment of external debt, rather than assuming that all countries followed similar repayment schedules. Moreover, it avoided any double accounting, and its data requirements dovetailed with the information that would be generated by the aforementioned study.

52. The disadvantage of the new concept of debt-adjusted income was that it could be considered an income concept only through such complex rationales as those outlined in paragraph 30 of the Committee's report. Some delegations had requested a comparison of debt-adjusted income and national income adjusted for debt using the method applied in the current scale. According to the Statistical Office, such a comparison was not possible, as the data base did not contain debt stock data beyond 1986.

53. A number of delegations had commented on the interaction of various factors of the scale metnodology. Conference room papers (CRP.1 A and CRP.1 B) contained information similar to what had been provided on the subject in the previous report (A/44/11). The only difference was the updated data base, the use of debt-adjusted income and the increase in the upper per capita income level for the low per capita income formula. It should be remembered that the scale of assessments reflected the capacity to pay of Member States, albeit imperfectly. Changes from scale to scale reflected relative changes in the economic situation of Member States. The relativity of those changes was apparently at the heart of the growing discontent of many developing countries, which saw assessment rates rise for some of them and fall for developed countries. Positive development had taken place in some countries, particularly in what might be called the middle-income countries. The countries that had had the greatest difficulties in accepting the last few scales as fair were to be found among their numbers. The relative improvements in their economic situations and the zero sum character of the scale were responsible for that perceived unfairness.

54. Lastly, with respect to the remarks of the representatives of Algeria, the Libyan Arab Jamahiriya, Oman and Morocco concerning the need to consider incorporating other factors in the scale methodology, the Committee on Contributions had not ignored pararaph 3 of resolution 43/223 B and

paragraph 3 (b) (i) of resolution 44/197 A. However, work in that area was very complex and controversial, in addition to being fraught with problems of data availability and quality. The Committee on Contributions would continue its work on alternative income concepts if so directed.

55. Mr. GUPTA (India) said that, despite the detailed explanations given by the Chairman of the Committee on Contributions, he still did not really understand how exempting Member States with very low per capita incomes from the absorption of additional points as a result of the application of the scheme of limits would duplicate the effect of the low per capita allowance formula, as stated in paragraph 21 of the Committee's report. He hoped that the Committee would clarify that point during its next session.

56. Mr. LOPEZ (Venezuela) said that he would like the Secretariat to provide him with a copy of the tables the Committee had used in examining the concept of "available income". With respect to debt adjustment, he thought that it was very important for the Statistical Office to provide delegations with a statement showing the consequences of applying the method used to establish the 1989-1991 scale to the next scale, since it had been unable to furnish the comparative statement initially requested. He noted that the repayment of debt referred to in paragraph 30 of the Committee's report involved only public debt. His delegation wished to repeat its request for a document that succinctly explained the methods of price-adjusted rates of exchange (PARE), as well as for a table that would make it possible to compare the scale produced by applying the rates of exchange published by the International Monetary Fund with the scale produced by applying the price-adjusted rates of exchange. Those documents would be all the more useful since the Nordic countries had put forward a proposal based on the PARE method.

57. Mr. DUHALT (Mexico) said that he would like to know the source of the Committee's information on the growth rate of the world economy, the growth rate of average per capita income, and the rates of change for dollar and world prices. In paragraph 27 of its 1989 report, the Committee had recommended raising the upper per capita income limit to $2,600 since average per capita income had increased by 18.3 per cent in the three-year period from 1983 to 1986. Six years would have gone by from 1986 to 1992, when the new scale would take effect. Perhaps some thought might be given to what the upper limit should be in 1992.

58. Ms. BERENGUER (Brazil) said that the concept of debt-adjusted income had undergone considerable evolution. For her delegation, the purpose of adjustment was to reflect the situation of very heavily indebted countries. Since the Secretariat had been unable to produce a table comparing the impact of the method applied to date and the proposed new method, delegations should at least have a document indicating the impact of applying the old formula to the next scale, which would give them an idea of the general trend. According to the data in the previous report (A/44/11) and in the conference room papers (CRP.1 A and CRP.1 B), the redistribution of points for debt adjustment was less favourable to developing countries with the new formula. In other words, the objectives set by the General

(Ms. Berenguer, Brazil)

Assembly were not met. Perhaps it would be wiser to keep the old formula, as the Chairman of the Committee had said was possible. With respect to the scheme of limits, she noted that it accentuated the largest distortions.

59. Mr. MARRON (Spain) said that the figures on national per capita income in annex III to document A/44/11 provided a useful supplement to the data in documents CRP.1 A and CRP.1 B. Those figures were current as of 1988.

60. Mr. ALI (Chairman of the Committee on Contributions) assured the representative of India that his point would be very carefully examined by the Committee at its next session. He hoped that the Statistical Office would be able to provide the information requested by the representatives of Venezuela, Mexico, Brazil and Spain.

AGENDA ITEM 118: PROGRAMME BUDGET FOR THE BIENNIUM 1990-1991 (continued)

Work-load standards for various categories of conference-servicing staff, including clerical and typing staff, and work-load statistics for the various conference services in the 1986-1987 and 1988-1989 bienniums (continued) (A/45/7/Add.1; A/C.5/45/1)

61. Mr. MICHALSKI (United States of America) said that, as a result of its consultations on that item, his delegation proposed to make slight changes in the draft decision that it had submitted to the members of the Committee in order to reflect their views. The progress already made would be highlighted in paragraphs 2 and 3, and the Secretary-General would be invited to submit the various requested reports at the forty-seventh session of the General Assembly instead of the forty-sixth.

The meeting rose at 1.05 p.m.